

RECYCLING USED CAPSULES AND SUSTAINABLY MANAGING ALUMINIUM



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Nespresso aluminium capsules are recyclable

AT A GLANCE

THE BENEFITS OF ALUMINIUM

Nespresso uses aluminium because it is the best material available today to protect the delicate flavours and aromas of the *Nespresso* Grand Cru coffees. It can also be endlessly recycled.

MAKING CAPSULE RECYCLING EASIER FOR CONSUMERS WORLDWIDE

Nespresso has established its own capsule collection systems in 36 countries worldwide to date, including over 14,000 dedicated collection points and over 88,000 UPS drop off locations in the USA. Used *Nespresso* capsules can also be collected as part of national packaging recovery scheme in Germany, Sweden and Finland. *Nespresso* aims to increase its global capsule collection capacity from over 86% in 2015 to 100% in 2020.

MANAGING ALUMINIUM SUSTAINABLY

Nespresso recognises the need for a responsible approach to the use of aluminium. As part of the *Nespresso* sustainability strategy, The Positive Cup, the company aims to sustainably manage 100% of the aluminium used in its business by 2020. This includes sourcing sustainable virgin aluminium and recycling used *Nespresso* capsules into new *Nespresso* capsules, wherever it makes sense environmentally.

LEADERSHIP IN SUSTAINABLE ALUMINIUM SOURCING AND RECYCLING

Nespresso acts as a catalyst for change going beyond its own operations. It works with stakeholders to develop country-specific capsule recycling solutions. It brings industry players together to implement uses of new technology to improve aluminium and steel recycling in general, and participate in defining a global standard for responsible aluminium sourcing.

ALUMINIUM, THE BEST MATERIAL FOR NESPRESSO GRAND CRU CAPSULES

Nespresso uses aluminium for its Grand Cru coffee capsules because it is the best material available today to protect the delicate *Nespresso* Grand Cru coffees against factors such as oxygen, light and humidity, which can compromise coffee freshness, taste and quality.



◀ RECYCLING@HOME

Nespresso has set up a doorstep collection system for the used capsules in 15 countries. Club Members can have their used *Nespresso* capsules picked up when new capsules are delivered.

Aluminium is also the only material that interacts perfectly with *Nespresso* machines to consistently produce the best coffee.

Thanks to the robustness of aluminium, there is no need for additional packaging or over-wrap. And because it is lightweight, using aluminium for the *Nespresso* capsules also provides transportation and environmental savings when compared to other packaging materials.

ALUMINIUM FOR FUTURE GENERATIONS

Aluminium is also infinitely recyclable. When aluminium is melted, its properties remain intact, allowing it to be reused to make new aluminium products again and again.

Among other initiatives, *Nespresso* is committed to increasing the collection and recycling of the used capsules to improve its environmental performance. Aluminium recycling is environmentally and economically effective. Recycling saves up to 95% of the energy needed to produce aluminium from raw bauxite, and avoids the emissions associated with mining, refining and smelting. Recycling takes aluminium materials from the waste stream to manufacture new aluminium products, and thus avoids the need to extract new natural resources. As one of the most widely recycled materials today, secondary aluminium has a high market value and is used for everything from automobile parts, computer components and building materials to cookware and cans.

MAKING RECYCLING EASIER FOR CONSUMERS

Consumer participation is essential to make recycling efforts a success. That's why *Nespresso* has heavily invested in making it as easy as possible for its Club Members to return their used Grand Cru capsules.

This involves increasing the number of collection points close to the homes of *Nespresso* Club Members and finding new ways to collect capsules. *Nespresso* has for example set up a doorstep collection system in 15 countries, where used *Nespresso* capsules are picked up when a new order is delivered.

In 20 countries, the *Nespresso* consumer website and the *Nespresso* app for iPhone, iPad and Android help Club Members identify the closest collection point to return their used capsules for recycling.

At the end of 2015, *Nespresso* reached a capsule collection capacity of over 86% in 39 countries, with more than 14,000 dedicated collection points worldwide, over 88,000 UPS drop off locations in the USA, and over 6,000 Green Dot collection points in Germany, Sweden and Finland. By 2020, *Nespresso* aims to increase its capacity to collect used *Nespresso* capsules to 100%, wherever the company does business.

For more information on *Nespresso* sustainability initiatives, please visit:
www.nestle-nespresso.com/sustainability

DEVELOPING TAILOR-MADE CAPSULE COLLECTION SOLUTIONS

Nespresso started its aluminium capsule recycling program over 20 years ago with a dedicated recycling initiative in Switzerland in 1991. Since then, *Nespresso* has taken an active stance in developing capsule collection and recycling schemes that are tailored to the countries in which it operates.

According to the EU regulation, aluminium capsules are not classified as packaging. This means that *Nespresso* capsules are not collected through national or local packaging recovery and recycling schemes, which are not equipped with the technology to separate lightweight aluminium from other packaging.

Nespresso has lobbied governments to change legislation such as in Denmark, and brought together industry leaders to advance recycling through new technologies, as in France.

In a few countries, *Nespresso* capsules can be recycled through the national packaging recycling scheme. This is the case in Germany, Sweden and Finland, which have adopted the European Green Dot program.

In other countries, national or local recovery and recycling schemes are absent altogether or ill-equipped to separate lightweight aluminium from other packaging for revalorisation. Here, *Nespresso* pursues various approaches to capsule collection:

- Collection points in *Nespresso* boutiques.
- Collection points at community waste recycling centres.
- Doorstep collection of used capsules when new capsules are delivered, through the *Nespresso* Recycling@Home initiative.
- Collection points at *Nespresso* retail partner stores, and in pick-up points.

Meanwhile, the coffee grounds in used *Nespresso* capsules also present revalorisation opportunities. Certain countries, such as Switzerland, UK, Australia and the UAE, are leading the way with integrated revalorisation solutions where coffee grounds are separated out from the aluminium of the capsules for compost fertiliser and heating briquettes. In other recycling schemes in Europe, pyrolysis is used to transform the residual coffee into energy that helps to power the recycling process itself. In other countries, coffee grounds are used to produce biogas, such as in Austria or soon in Switzerland.

In Denmark

Nespresso set an industry precedent as the first private company to launch an independent recycling system in the country in 2014. Consumers can return used capsules at *Nespresso* boutiques and more than 30 recycling points across Denmark where Stena Recycling collects the used capsules. Spent coffee grounds are separated from the used capsules and transported to a communal composting facility. There, the coffee grounds are mixed with other organic matter to create compost that is used by local farmers to enrich their soil.

In Switzerland

Nespresso has been collecting used capsules for recycling since 1991. There are now over 2,700 dedicated collection points across the country, in *Nespresso* boutiques and local and mobile packaging collection centres. In 2012 *Nespresso* implemented a nationwide Recycling@Home initiative, enabling doorstep collection of used capsules upon delivery of new capsules. Used capsules are sent to two recovery sites near Lausanne and Geneva, where the aluminium is separated for recycling and the coffee grounds mixed with organic matter to make compost.

In the United Arab Emirates

Nespresso established its first recycling system in the Middle East in 2013. *Nespresso* partnered with Bee'ah, a fully integrated environment and waste management company and an industry leader in the region. Used *Nespresso* capsules in UAE are collected at the *Nespresso* boutique and through the Recycling@Home doorstep collection service. Upon arrival at Bee'ah, the aluminium is separated from the coffee grounds and remelted to produce new aluminium products. The coffee grounds are stored in Bee'ah's compost plant and used as a natural fertiliser for agriculture and gardening.

In France

Nespresso has taken its leadership in recycling to the next level by supporting innovation in recycling technology and developing partnerships to improve the recycling of aluminium and steel in general.

As small-size packaging cannot always be processed in packaging sorting centres, *Nespresso* co-founded CELAA, the Club for Aluminium and Steel Light Packaging (Club du Recyclage des Emballages Légers en Aluminium et Acier) in 2009. Its mission: to increase recycling capabilities for small-scale aluminium and steel packaging such as *Nespresso* capsules, bottle caps and aluminium foil. As part of CELAA, *Nespresso* invested in eddy current separation technology to improve the efficiency of aluminium and steel packaging recovery through the national collection and recycling scheme.

Nespresso is taking steps to advance recycling in France even further. Within the framework of "Project Metal", a three-year initiative launched in 2014 to accelerate progress on CELAA's efforts, *Nespresso* is encouraging the collection of small aluminium packaging within the French national packaging recovery system by paying cash incentives for every tonne sorted.

Consumer participation is essential to make recycling efforts a success

LEADERSHIP IN SUSTAINABLE ALUMINIUM SOURCING

The amount of aluminium used by *Nespresso* capsules is very small in relation to global aluminium consumption (1 gram per capsule, as opposed to 13 to 14 grams in a soda can). Even as a small player in the industry, *Nespresso* takes a pioneering role in promoting a more sustainable aluminium sourcing.

In 2009, *Nespresso* joined forces with the International Union for Conservation of Nature (IUCN) and other stakeholders to develop the first sustainable aluminium standard for the industry. The aim of this global, multi-stakeholder endeavour, called the Aluminium Stewardship Initiative (ASI), is to foster greater sustainability and transparency throughout the aluminium industry. Announced at the end of 2014, the new ASI Performance Standard sets criteria to drive responsible environmental and social performance, and business ethics across the entire aluminium value chain.

Nespresso aims to source 100% of virgin aluminium capsule material compliant with the new ASI standard by 2020.

WHAT THE EXPERTS SAY

"It is important for everyone in the value chain to take responsibility for promoting the responsible use of aluminium. Nespresso has played a leading role in calling industry to initiate a responsible aluminium standard and has put in place its own successful programs to encourage aluminium recycling by its customers and build recycling capacity for its capsules."

*Gerard Bos,
Head, Global Business and Biodiversity Programme,
IUCN*

"The leadership of Nespresso has been instrumental in bringing various stakeholders together in France under the CELAA banner and in driving the implementation of the unique aluminium recovery technology that we have installed in Pizzorno packaging sorting centre. This solution is proving to be a valuable tool to increase the recycling rate of small aluminium materials."

*David Valour,
Pizzorno packaging sorting centre,
France*



Revalorising resources

A recycling centre separates coffee grounds out of used *Nespresso* capsules. Coffee grounds will get a second life as compost, heating briquettes or biogas, for example, while the aluminium will be used to make new aluminium products.

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NESPRESSO CAPSULE COLLECTION SYSTEMS IN 39 COUNTRIES AROUND THE WORLD *

Argentina	10 collection points in the <i>Nespresso</i> boutiques and at retail partners.	Netherlands	Over 2,000 collection points located in <i>Nespresso</i> boutiques and offices. Nationwide doorstep collection system since 2010.
Australia	Over 250 collection points, located in <i>Nespresso</i> boutiques and at participating florists and garden centres.	New Zealand	39 collection points in the <i>Nespresso</i> boutiques and at retail partners.
Austria	<i>Nespresso</i> collection system since 2009. Over 1,500 collection points, located in <i>Nespresso</i> boutiques, at retail partners, in offices and at community waste recycling centres.	Norway	39 collection points in <i>Nespresso</i> boutiques and in offices.
BeLux	Over 1,000 collection points in Belgium and Luxembourg, located in <i>Nespresso</i> boutiques and offices. Nationwide doorstep collection system since 2010.	Poland	9 collection points in <i>Nespresso</i> boutiques and nationwide doorstep collection since 2012.
Brazil	25 collection points located in <i>Nespresso</i> boutiques, at retail partners and in offices.	Portugal	Over 290 collection points in <i>Nespresso</i> boutiques, at retail partners, in offices and in community waste recycling centres.
Canada	39 collection points located in <i>Nespresso</i> boutiques, at retail partners and at an office site.	Romania	Collection points in the <i>Nespresso</i> boutique.
Chile	Collection points in 2 <i>Nespresso</i> boutiques.	Russia	10 collection points in <i>Nespresso</i> boutiques and in offices. Nationwide doorstep collection since 2012.
China	Collection points in 6 <i>Nespresso</i> boutiques.	Singapore	34 collection points in the <i>Nespresso</i> boutiques and nationwide doorstep collection since 2012.
Colombia	Collection points in 2 <i>Nespresso</i> boutiques.	South Africa	5 collection points in <i>Nespresso</i> boutiques.
Czech Republic	5 collection points in <i>Nespresso</i> boutique and in offices.	South Korea	10 collection points in <i>Nespresso</i> boutiques, at retail partners and in offices. Nationwide doorstep collection since 2011.
Denmark	31 collection points located in <i>Nespresso</i> boutiques and through recycling partner collection network.	Spain	Over 1,000 collection points in <i>Nespresso</i> boutiques, at retail partners, offices and at community waste recycling centres.
Finland	National waste recovery system since 2012.	Sweden	National waste recovery system since 2010.
France	<i>Nespresso</i> collection system since 2008. Over 5,900 collection points in <i>Nespresso</i> boutiques, in community waste recycling centres and at pick-up points. Doorstep collection in Paris and Marseille.	Switzerland	<i>Nespresso</i> collection system since 1991. Over 2,700 collection points in <i>Nespresso</i> boutiques, at retail partners and at community waste recycling centres. Nationwide doorstep collection since 2012.
Germany	National waste recovery system since 1993.	Taiwan	18 collection points in the <i>Nespresso</i> boutique and at retail partners.
Greece	Collection points located in 4 <i>Nespresso</i> boutiques.	Thailand	Collection points in the <i>Nespresso</i> boutique.
Hong Kong	4 collection points in <i>Nespresso</i> boutiques and nationwide doorstep collection since 2011.	UAE	A collection point in the <i>Nespresso</i> boutique and nationwide doorstep collection since 2013.
Hungary	2 collection points in <i>Nespresso</i> boutiques.	UK	14 collection points in <i>Nespresso</i> boutiques and through recycling partner collection network. Nationwide doorstep collection since 2012.
Ireland	4 collection points in <i>Nespresso</i> boutiques and nationwide doorstep collection since 2012.	USA	Over 88,000 collection points, located in <i>Nespresso</i> boutiques, at retail partners and at UPS drop off locations.
Israel	6 collection points in <i>Nespresso</i> boutiques and nationwide doorstep collection since 2013		
Italy	72 collection points in <i>Nespresso</i> boutiques, in community waste recycling centres and in offices.		